



**WSI**  
Wastewater Solutions, Inc.

3514 NW McKinley Drive  
Corvallis, Oregon 97330  
(541) 738-1303

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## LETTER AGREEMENT

March 11, 2010

Dave Henderson  
Utility Director  
West Lafayette Wastewater Utility  
West Lafayette, Indiana

Reference #: 2010-420

Subject: **Wastewater Optimization Audit**

Dear Dave:

Wastewater Solutions, Inc. is pleased to present this proposal for evaluation of the West Lafayette Wastewater Utility. For convenience, this proposal is presented in a form that can be accepted and signed as an agreement between Wastewater Solutions, Inc. (WSI) and the City of West Lafayette, hereinafter "Client."

### SCOPE OF SERVICES

The Scope involves the review and evaluation of the utility's processes, equipment, and procedures associated with the City's wastewater treatment systems. The evaluation and optimization process will consist of both off-site review of data and on-site evaluation. WSI will lead the West Lafayette management team through optimization discussions focused on each of the facility's unit processes.

The goals of the project are to determine steps the utility may take to reduce O&M costs, improve treatment plant performance, and increase system capacity. The specific Scope of Services to be performed by Wastewater Solutions, Inc. under this letter agreement is:

#### Task 1.0 Off-site Collection and Review of Data

- Collect and evaluate data. Evaluate changes in operational parameters that might be beneficial to plant performance and/or reduced operational cost.

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## **Task 2.0 Onsite Evaluation of Equipment and Processes**

- Evaluate potential saving in:
  - Energy
  - Capacity enhancement
  - Chemical use
  - Labor savings
  - Design / limitations vs. regulations

## **Task 3.0 Formulate Recommendations**

- Discuss findings and their potential impact on the utility
- Suggest prioritization of recommended changes
- Layout “action plan”
- Determine measurements of optimization success
- Develop a Technical Memo Report summarizing findings/recommendations

## **Task 4.0 Provide Optimization Action Plan Implementation Support**

- Provide up to 24 hours of off-site support via computer, telephone, and fax to refine the optimization process and assist staff with evaluating the performance and fine-tuning the optimization process.

## **CONTRACT DATES**

The dates for the onsite optimization will be mutually agreed upon. The contract period is fourteen (14) months from Notice to Proceed.

## **BASIS OF COMPENSATION**

WSI agrees to invoice the City of West Lafayette WWTU only if:

- 1) the total annual savings to the utility equals \$60,000 or more based on practical/viable cost saving recommendations; **or**
- 2) recommendations result in capacity increases equal to more than \$250,000; **or**
- 3) the Utility agrees that the combination of savings, capacity, and process performance improvements merits the lump sum compensation.

If WSI does not meet any of the criteria above, they will not invoice the City of West Lafayette for work performed under this Optimization agreement.

The City of West Lafayette agrees to pay WSI a lump sum fee of \$23,000 if WSI meets one or more of the three criteria listed above.

Compensation includes all preparation and travel time, labor, materials, and all other direct costs.

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## ACCEPTANCE

To accept this proposal, please sign and date two copies and return one copy to Wastewater Solutions, Inc. We look forward to the opportunity to perform the work for you and assist the Utility in its on-going effort to reduce energy, chemical use, labor, and improve plant performance.

Respectfully,

**WASTEWATER SOLUTIONS, INC**

*Brad Musick*

(Electronic signature #03-420)  
Brad Musick  
President

Wastewater Solutions, Inc.  
**EIN: 83-0351175**

**CITY OF WEST LAFAYETTE**

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_